

December 16, 2009

The Honorable Dave Reichert  
U.S. House of Representatives  
Washington, DC 20515

Dear Congressman Reichert:

The National Multi Housing Council (NMHC) and National Apartment Association (NAA) are committed to providing safe, affordable and sustainable apartment homes for 16.7 million American households. We commend ongoing congressional efforts to bolster the economy and create jobs while improving the energy performance of the nation's built environment. Therefore, we support legislation to extend and expand tax incentives for energy efficient homes and commercial buildings and encourage the passage of the "Expanding Building Efficiency Incentives Act of 2009".

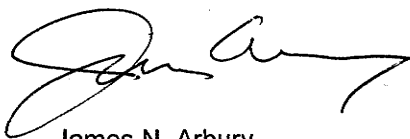
The apartment community is committed to improving the energy efficiency of our buildings. Financial barriers, like high upfront, capital costs, prolonged payback periods and split incentive problems, constrain the use of more efficient products and methods, however. Existing incentives, including the Energy Efficient Commercial Buildings Deduction, Energy Efficient Home Credit and Energy Investment Credits provide a good framework to overcome these hurdles. However, it is important that these incentives account for the time needed to plan and construct buildings and provide a meaningful financial benefit. Without congressional action, these incentives begin to sunset on January 1, 2010.

While these provisions have been revived previously, past extensions have merely postponed expiration for short periods. This deterred use of the incentives due to uncertainty over their availability upon project completion. Instead, we encourage Congress to extend these incentives for at least five years and expand the benefits available as provided in this bill.

This legislation creates meaningful financial incentives that can spur the adoption of energy efficient technologies and practices in new and existing buildings. Additionally, these incentive-based measures can improve economic conditions by encouraging new construction and rehabilitation projects, creating jobs and reducing the energy cost burden of owners and residents. New residential construction is valued at 3.5 percent of GDP or roughly \$462 billion. Specifically, the construction of 1,000 new apartments creates 1,160 full-time jobs, generates \$55 million in wages, and produces \$33 million in tax revenue. Incentives encouraging energy-saving practices will also directly benefit apartment residents, since over 70 percent of apartment renters are responsible for paying all or part of their utilities.

Thank you for your consideration and we look forward to working with you in your efforts to improve energy efficiency and conservation in multifamily housing.

Sincerely,



James N. Arbury  
Senior Vice President of Government Affairs  
National Multi Housing Council / National Apartment Association Joint Legislative Program